

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Annual Compliance Report, 2013

Docket No. ACR2013

CHAIRMAN'S INFORMATION REQUEST NO. 16

(Issued March 21, 2014)

To clarify the Postal Service's FY 2013 Annual Performance Report and its FY 2014 Annual Performance Plan, USPS-FY13-17, the Postal Service is requested to provide written responses to the following questions. Answers should be provided to individual questions as soon as they are developed, but no later than March 26, 2014.

1. In the Postal Service's response to CHIR No. 12, questions 6(a) and 6(b), it reports that it is creating a Customer Insights Measurement (CIM).
 - (a) How will the insights gained from the CIM data substantively differ from the insights gained from the Customer Experience Measurement (CEM)?
 - (b) In its discussion related to the CIM, the Postal Service reports that the CIM is "based on customer interactions at various touch points, as well as customer inquiries and complaints regarding postal products, services, and corporate initiatives. The Postal Service is developing systems and processes to measure satisfaction of resolution with a target of 90 percent and to reduce repeat customer complaints by 50 percent by 2017." How will program activity (developing systems and processes) related to this effort be measured in FY 2014?

2. In response to CHIR No. 10, question 4(d), the Postal Service states, “No, the CEM survey data cannot provide an accurate national estimate of all retail outlets because, as of October 2013, the Postal Service no longer collects CEM data for Residential and Small Medium Business.” Please describe any other CEM survey changes planned for FY 2014.
3. Please refer to page 2 of the CEM Non-Responder Study provided in response to CHIR No. 12, question 4(c) (CHIR12.Q4.CEM Non-Responder Study.pdf file). It states that the results of the study “can be used to guide future CEM re-design initiatives, including the pilot of new versions of the CEM surveys as part of the CESA’s current Market Research Assessment.”
 - (a) Was the CEM survey redesigned and/or piloted in FY 2013?
 - (b) The CEM Non-Responder Study filed with the Commission did not include information obtained from large businesses. Please provide any non-response analyses on large businesses or explain why such analyses were not necessary.
4. The following questions relate to the Postal Service’s network realignment initiative, its response to CHIR No. 12, question 1 related to processing facilities name/reclassification changes made in the FY 2013 Report on Form 10-K,¹ and information currently posted on the Postal Service’s website.
 - (a) The Postal Service’s website <http://about.usps.com/news/electronic-press-kits/our-future-network/assets/pdf/fact-sheet-network-op.pdf> shows a graph of the actual and planned number of decreased ‘mail processing facilities’ from 2006 projected to 2015. What will be the decrease in the

¹ Filed with the Commission on January 31, 2014.

number of processing facilities by type of processing facility (based on the new² processing facility classification system) in Phase 2? ³

- (b) Please describe any new facility classifications as these do not appear to be detailed on this same Postal Service website.⁴

5. Page 53 of the USPS 2013 Annual Report to Congress states that: “Since beginning our optimization review efforts in 2009, we have reviewed over 4,000 facilities, resulting in identification of over 600 buildings earmarked for elimination from inventory.” How many buildings earmarked have been sold through the end of FY 2013? (See Noncurrent Assets, Property and equipment, at cost-in millions, Buildings, valued as of September 30, 2012 and September 30, 2013 on the Postal Service Balance Sheet at page 76 of the FY 2013 Report on Form 10-K reporting cost of 24,452 for both fiscal years.)
6. In the Postal Service’s response to CHIR No. 12, question 6(a) and 6(b) it states: “Additionally, the Postal Service is interested in redesigning the customer satisfaction program. Since 1991, the Postal Service has been conducting a relational customer satisfaction program across both residential and business customers. Results of the program are used to develop service improvement initiatives, track performance over time, develop results indicators for compensation and meet public policy reporting requirements.”
- (a) How does this “relational customer satisfaction program” substantively differ from the CEM and the CIM in development?

² Response to CHIR No.12, question 1(a).

³ Phase 2 of the network realignment initiative is described on this same website as “an additional 89 consolidations” with a graph that shows mail processing facilities decreasing to 232 by 2015.

⁴ The website contains a fact sheet with the original network initiative processing facility types (that differ from the facilities on the FY 2013 Report on Form 10-K.) See http://about.usps.com/news/electronic-press-kits/our-future-network/processing_facility_types.pdf.

- (b) Are the customer satisfaction results from this program similar and/or equivalent to the CEM for residential, small/medium business and large business customers?

By the Chairman.

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